AND THE CONTROL OF TH

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VIII

999 18th STREET - SUITE 500 DENVER, COLORADO 80202-2466

APR | | 1997

Ref: 8P2-W-GW

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Ms. April Menzies Geology/Petroleum Engineering Technician Petroglyph Operating Company, Inc. 6209 North Highway 61 Hutchinson, Kansas 67502

> RE: UIC Minor Permit Modification Conversion of Additional Well to Antelope Creek Waterflood

Antelope Creek Waterflood EPA Area Permit UT2736-00000

Duchesne County, Utah Dear Ms. Menzies:

Your letter of March 31, 1997, requesting that the following production well be converted to a Class II enhanced oil recovery well and added to the Antelope Creek Waterflood, as authorized under EPA Area Permit #UT2736-00000, is hereby granted.

NAME

LOCATION

EPA WELL PERMIT NO.

Ute Tribal #18-14 SE/SW Section 18 #UT2736-04360 T 5 S - R 3 W

This additional well is within the boundary of the existing area permit for the Antelope Creek Waterflood (UT2736-0000), and this addition is made by minor permit modification according to the terms and conditions of that permit. Unless specifically mentioned in this Minor Permit Modification, all terms and conditions of the original permit will apply to the construction, operation, monitoring, and plugging and abandonment of this additional injection well. The proposed well location, well schematic, conversion procedures, and plugging and abandonment plan and schematic, submitted by your office, have been reviewed and approved as follows:

- (1) The **conversion** of this production well has been reviewed and found satisfactory as submitted, therefore, no corrective action is required.
- (2) Maximum injection pressure (Pmax) the permittee submitted a list of four (4) individual zones, within the Ute Tribal #18-14, which were individually fraced and established an average fracture gradient (Fg) of 0.898 psi/ft. which was derived from instantaneous shut-in pressures (ISIP) from each zone. This Fg is

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VIII

999 18th STREET - SUITE 500 DENVER, COLORADO 80202-2466

APR | | 1997

Ref:

8P2-W-GW

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Ms. April Menzies Geology/Petroleum Engineering Technician Petroglyph Operating Company, Inc. 6209 North Highway 61

Hutchinson, Kansas 67502

UIC Minor RE:

Conversion

EPA Area F

Antelope C under 81 ald Well to ava

Duchesne County, Utah Dear Ms. Menzies:

Your letter of March 31, 1997, requesting that the following production well be converted to a Class II enhanced oil recovery well and added to the Antelope Creek Waterflood, as authorized under EPA Area Permit #UT2736-00000, is hereby granted.

NAME

LOCATION

EPA WELL PERMIT NO.

Ute Tribal #18-14

SE/SW Section 18 T 5 S - R 3 W

#UT2736-04360

This additional well is within the boundary of the existing area permit for the Antelope Creek Waterflood (UT2736-00000), and this addition is made by minor permit modification according to the terms and conditions of that permit. Unless specifically mentioned in this Minor Permit Modification, all terms and conditions of the original permit will apply to the construction, operation, monitoring, and plugging and abandonment of this additional injection well. The proposed well location, well schematic, conversion procedures, and plugging and abandonment plan and schematic, submitted by your office, have been reviewed and approved as follows:

- The conversion of this production well has been reviewed and found satisfactory as submitted, therefore, no corrective action is required.
- Maximum injection pressure (Pmax) the permittee submitted a list of four (4) individual zones, within the Ute Tribal #18-14, which were individually fraced and established an average fracture gradient (Fg) of 0.898 psi/ft. which was derived from instantaneous shut-in pressures (ISIP) from each zone. This Fq is

acceptable to the Environmental Protection Agency (EPA), and a theoretical maximum allowable surface injection pressure (Pmax), for this well, may be calculated as shown below:

Pmax = [Fq - 0.433 (Sq)] d

Where: Pmax = Maximum surface injection pressure

at wellhead

d = 3873' shallowest perforations

Sg = Specific gravity of injected water

Pmax = [0.898 - .433 (1.00)] 3873

Pmax = 1800 psig

Until such time as the permittee demonstrates that a fracture gradient other than 0.898 psi/ft applies to the disposal zones of this newly converted well, the maximum allowable wellhead injection pressure (Pmax) for this well will be 1800 psig.

(3) The plugging and abandonment plan and schematic, submitted by your office, has been reviewed, and approved.

Prior to commencing injection into this well, permittee must fulfill permit condition Part II, C. 2. and have received written authorization to inject by the Environmental Protection Agency. In summary, these requirements for your newly permitted injection well are:

- (1) All conversion is complete and the permittee has submitted a completed Well Rework Record (EPA Form 7520-12).
- (2) The pore pressure has been determined.
- (3) The well has successfully completed and passed a mechanical integrity test (MIT), guidance and EPA form enclosed.

All other provisions and conditions of the permit remain as originally issued.

If you have any questions, please contact Mr. Chuck Williams at (303) 312-6625.

Also, please direct the above requirements to Mr. Williams at the above letterhead address, citing MAIL CODE 8P2-W-GW. Thank you for your continued cooperation.

Sincerely,

& Kerrigan G. Clough

Assistant Regional Administrator Office of Pollution Prevention, State and Tribal Assistance

Enclosure: MIT Guidance and EPA Form

cc: Mr. Ferron Secakuku

Energy & Mineral Resource Dep't.

Ute Indian Tribe

Ms. Ruby Atwine, Chairperson Uintah & Ouray Business Committee Northern Ute Tribe

Mr. Jonas Grant, Director Division of Natural Resources Northern Ute Tribe

Mr. Norman Cambridge
BIA - Uintah & Ouray Agency

Mr. Gil Hunt State of Utah Natural Resources Division of Oil, Gas, and Mining

Mr. Jerry Kenczka BLM - Vernal District Office



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VIII

999 18th STREET - SUITE 500 DENVER, COLORADO 80202-2466

JUL -6 1995

Ref: 8WM-DW

MEMORANDUM

SUBJECT:

Final Guidance for Conducting a Pressure Test to

Determine if a Well Has Leaks in the Tubing,

Casing or Packer

FROM:

Tom Pike, Chief UIC Direct Implementation

TO:

UIC Direct Implementation Permit Writers

Introduction

The Underground Injection Control (UIC) regulations require that an injection well have mechanical integrity at all times (40 CFR 144.28 (f)(2) and 40 CFR 144.51 (q)(1)). A well has mechanical integrity (40 CFR 146.8) if:

- (1) There is no significant leak in the tubing, casing or packer; and
- (2) There is no significant fluid movement into an underground source of drinking water (USDW) through vertical channels adjacent to the injection wellbore.

Definition: Mechanical Integrity Pressure Test for Part I. A pressure test used to determine the integrity of all the downhole components of an injection well, usually tubing, casing and packer. It is also used to test tubing cemented in the hole by using a tubing plug or retrievable packer. Pressure tests must be run at least once every five years. If for any reason the tubing/packer is pulled, the injection well is required to pass another mechanical integrity test of the tubing casing and packer prior to recommencing injection regardless of when the last test was conducted. Tests run by operators in the absence of an EPA inspector must be conducted according to these procedures and recorded on either the attached form or an equilivant form containing the necessary information. A pressure recording chart documentating the actual annulus test pressures must be attached to the form.

This guidance addresses making a determination of Part I of Mechanical Integrity (no leaks in the tubing, casing or

packer). The Region's policy is: 1) to determine if there are significant leaks in the tubing, casing or packer; 2) to assure that the casing can withstand pressure similar to that which would be applied if the tubing or packer fails: 3) to make the Region's test procedure consistent with the procedures utilized by other Region VIII Primacy programs; and 4) to provide a procedure which can be easily administered and is applicable to all class I and II wells. Although there are several methods allowed for determining mechanical integrity, the principal method involves running a pressure test of the tubing/casing annulus. Region VIII's procedure for running a pressure test is intended to aid UIC field inspectors who witness pressure tests for the purpose of demonstrating that a well has Part I of Mechanical Integrity. The guidance is also intended as a means of informing operators of the procedures required for conducting the test in the absence of an EPA inspector.

Pressure Test Description

Test Frequency

The mechanical integrity of an injection well must be maintained at all times. Mechanical integrity pressure tests are required at least every five (5) years. If for any reason the tubing/packer is pulled, however, the injection well is required to pass another mechanical integrity test prior to recommencing injection regardless of when the last test was conducted. The Regional UIC program must be notified of the workover and the proposed date of the pressure test. The well's test cycle would then start from the date of the new test if the well passes the test and documentation is adequate. Tests may be required on a more frequent basis depending on the nature of the injectate and the construction of the well (see Section guidance on MITs for wells with cemented tubing and regulations for Class I wells).

Region VIII's criteria for well testing frequency is as follows:

- Class I hazardous waste injection wells; initially [40 CFR 146.68(d)(1)] and annually thereafter;
- Class I non-hazardous waste injection wells; initially and every two (2) years thereafter, except for old permits (such as the disposal wells at carbon dioxide extraction plants which require a test at least every five years);
- Class II wells with tubing, casing and packer; initially and at least every five (5) years thereafter;

- 5. Class II wells which have been temporarily abandoned (TAd) must be pressure tested after being shut-in for two years; and
- 6. Class III uranium extraction wells; initially.

Test Pressure

4.

To assure that the test pressure will detect significant leaks and that the casing is subjected to pressure similar to that which would be applied if the tubing or packer fails, the tubing/casing annulus should be tested at a pressure equal to the maximum allowed injection pressure or 1000 psig whichever is less. The annular test pressure must, however, have a difference of at least 200 psig either greater or less than the injection tubing pressure. Wells which inject at pressures of less than 300 psig must test at a minimum pressure of 300 psig, and the pressure difference between the annulus and the injection tubing must be at least 200 psi.

Test Criteria

- 1. The duration of the pressure test is 30 minutes.
- 2. Both the annulus and tubing pressures should be monitored and recorded every five (5) minutes.
- 3. If there is a pressure change of 10 percent or more from the initial test pressure during the 30 minute duration, the well has failed to demonstrate mechanical integity and should be shut-in until it is repaired or plugged.
- 4. A pressure change of 10 percent or more is considered significant. If there is no significant pressure change in 30 minutes from the time that the pressure source is disconnected from the annulus, the test may be completed as passed

Recordkeeping and Reporting

The test results must be recorded on the attached form. The annulus pressure should be recorded at five (5) minute intervals. Tests run by operators in the absence of an EPA inspector must be conducted according to these procedures and recorded on the attached form or an equilivant form. A pressure recording chart documentating the actual annulus test pressures must be attached to the submittal. The tubing pressure at the beginning and end of each test must be recorded. The volume of the annulus fluid bled back at the surface after the test should be measured and recorded on the form. This can be done by bleeding the annulus pressure off and discharging the associated fluid into a five gallon container. The volume information can be used to verify the approximate location of the packer.

Procedures for Pressure Test

- Scheduling the test should be done at least two (2) weeks in advance.
- 2. Information on the well completion (location of the packer, location of perforations, previous cement work on the casing, size of casing and tubing, etc.) and the results of the previous MIT test should be reviewed by the field inspector in advance of the test. Regional UIC Guidance #35 should also be reviewed. Information relating to the previous MIT and any well workovers should be reviewed and taken into the field for verification purposes.
- 3. All Class I wells and Class II SWD wells should be shut-in prior to the test. A 12 to 24-hour shut-in is preferable to assure that the temperature of the fluid in the wellbore is stable.
- 4. Class II enhanced recovery wells may be operating during the test, but it is recommended that the well be shut-in if possible.
- The operator should fill the casing/tubing annulus with inhibited fluid at least 24 hours in advance, if possible. Filling the annulus should be undertaken through one valve with the second valve open to allow air to escape. After the operator has filled the annulus, a check should be made to assure that the annulus will remain full. If the annulus can not maintain a full column of fluid, the operator should notify the Director and begin a rework. The operator should measure and report the volume of fluid added to

Read pressure on the casing/tubing annulus and record

failures (Region VIII UIC Section Guidance #35) should

Ask the operator for the date of the last workover and the volume of fluid added to the annulus prior to this test and record information on the form.

- 9. Hook-up well to pressure source and apply pressure until test value is reached.
- Immediately disconnect pressure source and start test 10. time. (If there has been a significant drop in pressure during the process of disconnection, the test may have to be restarted.) The pressure gages used to monitor injection tubing pressure and annulus pressure should have a pressure range which will allow the test pressure to be near the mid-range of the gage. Additionally, the gage must be of sufficient accuracy and scale to allow an accurate reading of a 10 percent change to be read. For instance, a test pressure of 600 psi should be monitored with a 0 to 1000 psi gage. The scale should be incremented in 20 psi increments.
- Record tubing and annulus pressure values every five 11. (5) minutes.
- At the end of the test, record the final tubing 12. pressure.
- If the test fails, check the valves, bull plugs and 13. casing head close up for possible leaks. The well should be retested.
- If the second test indicates a well failure, the Region 14. should be informed of the failure within 24 hours by the operator, and the well should be shut-in within 48 hours per Headquarters guidance #76. A follow-up

letter should be prepared by the operator which outlines the cause of the MIT failure and proposes a potential course of action. This report should be submitted to EPA within five days.

- 15. Bleed off well into a bucket, if possible, to obtain a volume estimate. This should be compared to the calculated value obtained using the casing/tubing annulus volume and fluid compressibility values.
- 16. Return to office and prepare follow-up.

Attachment

Mechanical Integrity Test Casing or Annulus Pressure Test for Well UT2736-04360 U.S. Environmental Protection Agency

Underground Injection Control Program, UIC Implementation Section, 8WM-DW 999 18th Street, Suite 500, Denver, CO 80202-2466
This form was printed on 04/07/1997.

| 0 min 5 10 15 min 20 25 30 min | | | |
|--------------------------------|--|------------------------|-------------------------------|
| 5 10 15 min 20 25 | | | |
| 5 10 15 min 20 25 | | | |
| 5 10 15 min 20 | | | |
| 5 10 | | | |
| 5 10 | | | |
| | | | · |
| 0 min | | | |
| | psig | psig | psig |
| Time | Test #1 | Test #2 | Test #3 |
| | CASING/TUBING A | NNULUS PRESSURE | |
| End of Test | psig | psig | psig |
| Initial | psig | psig | psig |
| | TUBING PR | ESSURE | |
| nitial casing/t | uring test? [] NO ubing annulus press pressure build bac | sure | psig [] No |
| Initi Test | rly scheduled test? al test for permit? after well rework? | [] Yes [[] Yes [| |
| | ress psig 199 | | |
| Last MIT: No | erating Company, In record / / | | - - |
| UTE TRIBAL #1 ANTELOPE CREE | | | as of 04/01/1997 8 05S 03W |
| | | | |
| | | | |
| thers present: | | | |
| est conducted hethers present: | y: | | |

| | | | THE RESIDENCE OF THE PARTY OF T | |
|----------------------|--|---|--|------------------------|
| the reverse side? | SENDER: CEW 04/11/97 302/C Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b. Print your name and address on the reverse of this form so that we card to you. Attach this form to the front of the mailpiece, or on the back if space permit. Write "Return Receipt Requested" on the mailpiece below the article The Return Receipt will show to whom the article was delivered and delivered. | e does not e number. | , | eipt Service. |
| o p | 3. Article Addressed to: UT2736-00000 | 4a. Article No | | ece |
| IN ADDRESS completed | Ms. April Menzies Geology/Petroleum Engineering Technician Petroglyph Operating Company, Inc. 6209 North Highway 61 Hutchinson, Kansas 67502 | P 078 4b. Service T Registere Express I | S 121 159 Type ad | you for using Return R |
| s your RETUR | 5. Received By: (Print-Name) 6. Signature: (Addressee or Agent) X | 8. Addressee and fee is | ((((((cjo | Thank |
| _ | PS Form 3811 , December 1994 | | Domestic Return Receipt | |

8/11/97 CW 3092C P 078 120 974

TM UNITED STATES

Receipt for Certified Mail

No Insurance Coverage Provided Do not use for International Mail (See Reverse)

| (566 116 46136) | |
|---|---|
| Ms. Kathy Turne S'Geology/Petroeu Engineering Tec Petroglyph Oper P6209 North High Hutchison, Kans | m hnician ating Compan way 61 Inc. |
| Special Delivery Fee | as 6/302 |
| Restricted Delivery Fee | |
| Return Receipt Showing to Whom & Date Delivered | |
| Return Receipt Showing to Whom, Date, and Addressee's Address | |
| TOTAL Postage & Fees | \$ |
| Postmark or Date | |

P 078 121 159



Receipt for Certified Mail

Geology/Petroleum

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse) CEW 3024C

MS. 10 April Menzies

| Engineering Ted Petroglyph Operate 6209 North Highwa Hutchinson, Kansa | ting Company | - |
|---|--------------|----|
| Certified Fee | | |
| Special Delivery Fee APR 1 1997 Restricted Delivery Fee | | |
| Return Receipt Showing to Whom & Date Delivered | | |
| Return Receipt Showing to Whom, Date, and Addressee's Address | | |
| TOTAL Postage OTC: Minor Permit | Modification | O. |

UTC Minor Permit Modification Conversion of Additional Well Antelope Creek Waterflood to EPA Area Permit #UT2736-00000

PS Form **3800**, June 1991